

EXHIBIT 6

<p style="text-align: right;">Page 1</p> <p>THERESA A. CHAVEZ - 30(b)(6) IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK -----X GRANITE STATE INSURANCE COMPANY, Plaintiff, v. Civil Action No. 2009 Civ.10607 CLEARWATER INSURANCE COMPANY, f/k/a ODYSSEY REINSURANCE CORPORATION, f/k/a SKANDIA AMERICA REINSURANCE CORPORATION, Defendants. -----X DEPOSITION OF THERESA A. CHAVEZ 30(b)(6) New York, New York Wednesday, December 15, 2010 REPORTED BY: BARBARA R. ZELTMAN Professional Stenographic Reporter Job Number: 2318</p>	<p style="text-align: right;">Page 3</p> <p>1 THERESA A. CHAVEZ - 30(b)(6) 2 A P P E A R A N C E S: 3 4 MOUND, COTTON, WOLLAN & GREENGRASS 5 Attorneys for the Plaintiff 6 One Battery Park Plaza 7 New York, New York 10004 8 BY: STUART COTTON, ESQ. 9 10 11 CLYDE & CO. US LLP 12 Attorneys for the Defendants 13 405 Lexington Avenue 14 New York, New York 10174 15 BY: STEPHEN M. KENNEDY, ESQ. 16 17 18 ALSO PRESENT: Lisa A. Keenan, Esq., OdysseyRe 19 20 21 22 23 24 25</p>
<p style="text-align: right;">Page 2</p> <p>1 THERESA A. CHAVEZ - 30(b)(6) 2 3 4 December 15, 2010 5 9:45 a.m. 6 7 Deposition of THERESA A. CHAVEZ, 30(b)(6), 8 taken by Plaintiff, pursuant to Notice, at the 9 offices of CLYDE & CO. US LLP, 405 Lexington Avenue, 10 New York, New York, before BARBARA R. ZELTMAN, a 11 Professional Stenographic Reporter and Notary Public 12 within and for the State of New York. 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p style="text-align: right;">Page 4</p> <p>1 THERESA A. CHAVEZ - 30(b)(6) 2 3 4 IT IS HEREBY STIPULATED AND AGREED 5 by and between the attorneys for the respective 6 parties herein that filing and sealing be and 7 the same are hereby waived. 8 9 IT IS FURTHER STIPULATED AND AGREED 10 that all objections, except as to the form of 11 the question, shall be reserved to the time 12 of trial. 13 14 IT IS FURTHER STIPULATED AND AGREED 15 that the within deposition may be signed and 16 sworn to before any officer authorized to 17 administer an oath with the same force and 18 effect as if signed and sworn to before 19 the Court. 20 21 22 23 24 25</p>

<p style="text-align: right;">Page 13</p> <p>1 THERESA A. CHAVEZ</p> <p>2 just want to object to the extent the</p> <p>3 form of the question as far as I</p> <p>4 understand it, we're talking about</p> <p>5 "claims", not "claim."</p> <p>6 MR. COTTON: Okay.</p> <p>7 MR. KENNEDY: So to that</p> <p>8 extent, I have an objection to the</p> <p>9 form of the question.</p> <p>10 MR. COTTON: Okay.</p> <p>11 Q Let's consider the last questions.</p> <p>12 This may change your answer to be "claims"</p> <p>13 rather than "claim."</p> <p>14 A Well, I think as I said, there are</p> <p>15 certainly four claims under different</p> <p>16 facultative certificates for the insured</p> <p>17 here, McGraw Edison.</p> <p>18 Only two of them are at issue in</p> <p>19 this litigation.</p> <p>20 I don't recall specifically what</p> <p>21 the dates were on the two that are here or</p> <p>22 any of them specifically.</p> <p>23 I believe that between the four of</p> <p>24 them it was late 2008 and early 2009 that we</p> <p>25 received the first reports.</p>	<p style="text-align: right;">Page 15</p> <p>1 THERESA A. CHAVEZ</p> <p>2 instance no claim has actually been set up</p> <p>3 because there's no claim number here, and</p> <p>4 the cedent company claim number is listed as</p> <p>5 none.</p> <p>6 So I'm not sure what the purpose of</p> <p>7 this being created was without seeing the</p> <p>8 other documents that relate to it from</p> <p>9 whatever file it came out of.</p> <p>10 MR. COTTON: Can you read that</p> <p>11 back to me, please.</p> <p>12 (Requested portion of record read:</p> <p>13 "A Well, it's an old form that</p> <p>14 would have been prepared by our</p> <p>15 underwriting office when a claim was set</p> <p>16 up. But in this instance no claim has</p> <p>17 actually been set up because there's no</p> <p>18 claim number here, and the cedent company</p> <p>19 claim number is listed as none.</p> <p>20 "So I'm not sure what the purpose</p> <p>21 of this being created was without seeing</p> <p>22 the other documents that relate to it</p> <p>23 from whatever file it came out of.")</p> <p>24 (End of read-back.)</p> <p>25 Q In the lower left-hand corner</p>
<p style="text-align: right;">Page 14</p> <p>1 THERESA A. CHAVEZ</p> <p>2 Because each -- the claim under</p> <p>3 each certificate was not reported</p> <p>4 necessarily at the same time. They came in</p> <p>5 at different times.</p> <p>6 Q So assuming that we have several</p> <p>7 reports under different certificates, when</p> <p>8 you said 2008/2009, were you referring to</p> <p>9 the earliest report under any certificate?</p> <p>10 A Yes. It was either late 2008/early</p> <p>11 2009.</p> <p>12 MR. COTTON: Let me mark as the</p> <p>13 next exhibit, the document doesn't</p> <p>14 have an actual date, but it has a</p> <p>15 prepared date of 11-22-82.</p> <p>16 Bates Numbers CW-00027.</p> <p>17 (Granite Exhibit 3, Internal</p> <p>18 Skandia form prepared on 11-22-82,</p> <p>19 CW-00027, was marked for</p> <p>20 Identification.)</p> <p>21 BY MR. COTTON:</p> <p>22 Q Could you tell me what this is?</p> <p>23 A Well, it's an old form that would</p> <p>24 have been prepared by our underwriting</p> <p>25 office when a claim was set up. But in this</p>	<p style="text-align: right;">Page 16</p> <p>1 THERESA A. CHAVEZ</p> <p>2 although it's slightly obscured, it appears</p> <p>3 to say "Casualty Facultative Claim Notice."</p> <p>4 Is this not a claim notice?</p> <p>5 A This in itself? No. This is not a</p> <p>6 claim notice.</p> <p>7 Q Is this a confirmation of a claim</p> <p>8 notice?</p> <p>9 A No. It's an internal document that</p> <p>10 would have been prepared but the fact that</p> <p>11 it was prepared doesn't mean that a claim</p> <p>12 was reported to us by the cedent.</p> <p>13 As I said, I can't determine what</p> <p>14 the basis of this being prepared was without</p> <p>15 seeing the other documents that relate to</p> <p>16 it.</p> <p>17 Q Now, it says -- it has a cedent</p> <p>18 company Policy Number 66812370.</p> <p>19 Do you recall that that's the</p> <p>20 policy number under the certificate which is</p> <p>21 involved in this litigation?</p> <p>22 A I have no idea what the policy</p> <p>23 numbers under the certificate are off the</p> <p>24 top of my head. I usually don't memorize</p> <p>25 that information.</p>

4 (Pages 13 to 16)

<p style="text-align: right;">Page 17</p> <p>1 THERESA A. CHAVEZ</p> <p>2 Q Do you see the certificate number</p> <p>3 on the form?</p> <p>4 A Yes.</p> <p>5 Q Do you recognize that one?</p> <p>6 A Yes. That appears to be one of our</p> <p>7 certificate numbers.</p> <p>8 Q Involved in this case, right?</p> <p>9 A Yes. It's 1981, yes.</p> <p>10 Q You see the initials R -- maybe</p> <p>11 middle initial O.</p> <p>12 Do you know who that was?</p> <p>13 A No.</p> <p>14 Q Do you remember the name O'Brien as</p> <p>15 a person who was at Skandia back in those</p> <p>16 days?</p> <p>17 A I wasn't at Skandia back in those</p> <p>18 days, so no, I don't necessarily remember</p> <p>19 that name.</p> <p>20 Q Is that a name that you remember</p> <p>21 seeing in reviewing the file?</p> <p>22 A Yes, I do recall seeing the name in</p> <p>23 the file, but I didn't know him personally</p> <p>24 or wouldn't have known him because it would</p> <p>25 have been somebody in the Chicago office.</p>	<p style="text-align: right;">Page 19</p> <p>1 THERESA A. CHAVEZ</p> <p>2 documents in front of me, then I can testify</p> <p>3 what they relate to and that they belong</p> <p>4 with this document.</p> <p>5 Q By the way, there's a reported date</p> <p>6 down in the lower right-hand portion of the</p> <p>7 form. It says 4-'82.</p> <p>8 Do you know what that relates to?</p> <p>9 A Whatever information was being</p> <p>10 relied on to create this form, most likely</p> <p>11 was received in 4 of '82.</p> <p>12 Q Is it fair to say that it was most</p> <p>13 likely reported to Skandia in 4 of '82?</p> <p>14 A Something was reported to Skandia</p> <p>15 in 4 of '82. The question is what was</p> <p>16 reported to Skandia in 4-of '82 and that I</p> <p>17 can't tell from this document.</p> <p>18 MR. COTTON: We're going to</p> <p>19 mark as the next exhibit a -- looks</p> <p>20 like a memo to file, dated March 23,</p> <p>21 1982, authored by Marsh & McKlennen,</p> <p>22 Bates Number CW-00017 through 19.</p> <p>23 (Granite Exhibit 4, Memo to</p> <p>24 file dated March 23, 1982 authored</p> <p>25 by Marsh & McKlennen, CW-00017</p>
<p style="text-align: right;">Page 18</p> <p>1 THERESA A. CHAVEZ</p> <p>2 Q You could tell from the file,</p> <p>3 though, that he is somebody who was at</p> <p>4 Skandia and an underwriter?</p> <p>5 A Well, I know from the review of the</p> <p>6 documents that he was an underwriter but I</p> <p>7 don't have personal knowledge of what he</p> <p>8 did. He was in the underwriting branch</p> <p>9 office.</p> <p>10 Q You said earlier that you couldn't</p> <p>11 tell whether a claim had been made by the</p> <p>12 cedent without seeing the rest of the</p> <p>13 documents that might relate to this,</p> <p>14 correct?</p> <p>15 A Right.</p> <p>16 Q And I gather that you have not in</p> <p>17 your review of the file, to your</p> <p>18 recollection, seen such other documents?</p> <p>19 MR. KENNEDY: I just object to</p> <p>20 the form of the question.</p> <p>21 MR. COTTON: That's a bad</p> <p>22 question. I agree.</p> <p>23 A I have seen some documents that may</p> <p>24 relate to this, but I'm not going to testify</p> <p>25 about those from my memory. If I see the</p>	<p style="text-align: right;">Page 20</p> <p>1 THERESA A. CHAVEZ</p> <p>2 through CW-00019, was marked for</p> <p>3 Identification.)</p> <p>4 BY MR. COTTON:</p> <p>5 Q Do you recall having seen that</p> <p>6 before?</p> <p>7 A Yes.</p> <p>8 Q Did you see it yesterday?</p> <p>9 A Yes, I believe so.</p> <p>10 Q Is it fair to say that this came</p> <p>11 out of the underwriting file?</p> <p>12 A Yes.</p> <p>13 Q Do you agree this is the underlying</p> <p>14 claim about which we are in dispute here?</p> <p>15 A No, I don't.</p> <p>16 Q Explain to me why not.</p> <p>17 A Because this is just a memo that</p> <p>18 indicates that certain claims are being made</p> <p>19 against Wagner Brake, which is a division of</p> <p>20 McGraw Edison, by certain claimants as a</p> <p>21 result of asbestos.</p> <p>22 It's 32 claimants. Only 32</p> <p>23 claimants. They are not necessarily the</p> <p>24 same claimants. They most likely are not</p> <p>25 the same claimants that are make the claims</p>

5 (Pages 17 to 20)

<p style="text-align: right;">Page 37</p> <p>1 THERESA A. CHAVEZ</p> <p>2 A I can't speak to why he thought it</p> <p>3 was necessary to put the claims department</p> <p>4 on notice of these claims.</p> <p>5 Q Now, without going any further in</p> <p>6 reviewing documents concerning the McGraw</p> <p>7 Edison asbestos claims that are the subject</p> <p>8 of the documents we already reviewed, and</p> <p>9 assuming that the documents we've reviewed</p> <p>10 are all part of the underwriting file for</p> <p>11 T27675, which is the underwriting file's</p> <p>12 cover page created by Clyde & Co., or</p> <p>13 folder, identified as G6.</p> <p>14 Can you now say whether or not what</p> <p>15 we marked as Exhibit 3 reflects a claim</p> <p>16 reported to Skandia?</p> <p>17 MR. KENNEDY: Objection to the</p> <p>18 form of the question.</p> <p>19 A I would still say it does not</p> <p>20 reflect a claim reported to Skandia. It's</p> <p>21 just a form that was used to house -- so</p> <p>22 they can set up a file to house this</p> <p>23 information.</p> <p>24 There is nothing in the documents</p> <p>25 that we've reviewed thus far that indicate</p>	<p style="text-align: right;">Page 39</p> <p>1 THERESA A. CHAVEZ</p> <p>2 Q The same original insured?</p> <p>3 A The same original insured issued by</p> <p>4 that particular branch office.</p> <p>5 Because if we issued certificates</p> <p>6 in different branch offices, each branch</p> <p>7 office would have its own file for that</p> <p>8 insured, but within each branch office there</p> <p>9 would have been a file for that insured.</p> <p>10 Q So if you issued a dozen</p> <p>11 certificates, I guess that would be more</p> <p>12 than usual, you'd have one underwriting file</p> <p>13 for all of those?</p> <p>14 A Yes. Generally, yes.</p> <p>15 Q Is the same true on the claims</p> <p>16 side?</p> <p>17 A No.</p> <p>18 Q And how are claims files</p> <p>19 maintained?</p> <p>20 A Claims files are maintained in</p> <p>21 separate claim files for each certificate</p> <p>22 and then if there are multiple claims</p> <p>23 reported under the certificate, there would</p> <p>24 be a separate claim file for each claim that</p> <p>25 was reported on the certificate.</p>
<p style="text-align: right;">Page 38</p> <p>1 THERESA A. CHAVEZ</p> <p>2 there is a claim against the coverage issued</p> <p>3 by Skandia.</p> <p>4 MR. COTTON: Let's mark as the</p> <p>5 next exhibit a letter from Marsh &</p> <p>6 McKlennen dated February 10, 1983 to</p> <p>7 a Mr. William Green at CV Starr &</p> <p>8 Company.</p> <p>9 Bates Numbers CW-00391 through 393.</p> <p>10 (Granite Exhibit 8, Letter</p> <p>11 dated February 10, 1983, CW-00391</p> <p>12 through CW-00393, was marked for</p> <p>13 Identification.)</p> <p>14 BY MR. COTTON:</p> <p>15 Q Before we get to this document, I</p> <p>16 want to go over something you said earlier</p> <p>17 concerning how underwriting files are kept.</p> <p>18 Did I correctly understand that</p> <p>19 underwriting files are not maintained</p> <p>20 divided by or separated into separate</p> <p>21 certificate numbers but, rather, separate</p> <p>22 certificate numbers that may be combined</p> <p>23 where it's the same -- I'm stumbling here.</p> <p>24 The same cedent?</p> <p>25 A The same insured.</p>	<p style="text-align: right;">Page 40</p> <p>1 THERESA A. CHAVEZ</p> <p>2 Q So if Skandia had issued</p> <p>3 certificates for several years in a row,</p> <p>4 same essential reinsurance coverage, would</p> <p>5 it have a separate file for each year?</p> <p>6 A If each year is reported to us by</p> <p>7 the cedent, then we would have a separate</p> <p>8 file for each year.</p> <p>9 Q And am I correct that information</p> <p>10 that is provided concerning the same</p> <p>11 underwriting claim will find its way into</p> <p>12 every claim file for which you've issued a</p> <p>13 certificate?</p> <p>14 MR. KENNEDY: Let me object to</p> <p>15 the form of the question. Again,</p> <p>16 this really goes back to your use of</p> <p>17 the word "claim."</p> <p>18 MR. COTTON: Claims. Actually,</p> <p>19 I change that to claims.</p> <p>20 Q You want to hear that question</p> <p>21 again?</p> <p>22 A Yes.</p> <p>23 MR. COTTON: Read back that</p> <p>24 question. And make "claim,"</p> <p>25 "claims".</p>

<p style="text-align: right;">Page 57</p> <p>1 THERESA A. CHAVEZ</p> <p>2 Q The position taken in the Answer in</p> <p>3 this case, which we will get to specifically</p> <p>4 in a moment, concerns a couple of defenses</p> <p>5 that notice may have been late.</p> <p>6 I think the words are "the claim</p> <p>7 may be barred by virtue of not timely notice</p> <p>8 where the untimely provision or the failure</p> <p>9 to provide any information concerning the</p> <p>10 claims."</p> <p>11 Are those positions equally</p> <p>12 applicable to all parts of the claims, and</p> <p>13 by "all parts" I mean the Federal Mogul part</p> <p>14 and the Dresser part?</p> <p>15 A Yes.</p> <p>16 Q And is it Clearwater's position</p> <p>17 that notice was not received concerning</p> <p>18 Federal Mogul or Dresser until 2008 or 2009?</p> <p>19 A Yes.</p> <p>20 Q Now, would you agree that at least</p> <p>21 the letters, whether they went into the</p> <p>22 underwriting file or the claim file or went</p> <p>23 into the underwriting file and then was also</p> <p>24 transmitted to claims, that the letter we've</p> <p>25 seen marked as Exhibit 3 from Marsh &</p>	<p style="text-align: right;">Page 59</p> <p>1 THERESA A. CHAVEZ</p> <p>2 files" --</p> <p>3 A What page are you on?</p> <p>4 Q I'm sorry. Page 10. Second</p> <p>5 paragraph under Issues.</p> <p>6 A Okay.</p> <p>7 Q There is a reference to a Lexington</p> <p>8 Dresser file.</p> <p>9 Am I correct that Lexington</p> <p>10 Insurance Company has also made the</p> <p>11 reinsurance claim relating to the -- to a</p> <p>12 portion at least of the underlying asbestos</p> <p>13 claim settlement that is at issue here?</p> <p>14 A Well, yes, we did have claims from</p> <p>15 Lexington for Dresser.</p> <p>16 Not necessarily for the same</p> <p>17 claims.</p> <p>18 Q Is the file for the -- the claim</p> <p>19 file for the Lexington Dresser claims a</p> <p>20 separate one from the --</p> <p>21 A Yes.</p> <p>22 Q Is Ms. Drew also in charge of that</p> <p>23 one?</p> <p>24 A Yes. If it's open, yes.</p> <p>25 Q In the first full paragraph on the</p>
<p style="text-align: right;">Page 58</p> <p>1 THERESA A. CHAVEZ</p> <p>2 McKlennen in the early '80s going up until I</p> <p>3 think '84 provided adequate information</p> <p>4 concerning the underlying claims for Odyssey</p> <p>5 to be aware of its potential exposure?</p> <p>6 MR. KENNEDY: Object to the</p> <p>7 form of the question.</p> <p>8 A Could you repeat the question.</p> <p>9 (Requested portion of record read:</p> <p>10 "Q Now, would you agree that at</p> <p>11 least the letters, whether they went into</p> <p>12 the underwriting file or the claim file</p> <p>13 or went into the underwriting file and</p> <p>14 then was also transmitted to claims, that</p> <p>15 the letter we've seen marked as Exhibit 3</p> <p>16 from Marsh & McKlennen in the early '80s</p> <p>17 going up until I think '84 provided</p> <p>18 adequate information concerning the</p> <p>19 underlying claims for Odyssey to be aware</p> <p>20 of its potential exposure?")</p> <p>21 (End of read-back.)</p> <p>22 A No.</p> <p>23 Q Let's go to Page 10 under Issues.</p> <p>24 If we go to the second paragraph,</p> <p>25 it says "We note from our Lexington Dresser</p>	<p style="text-align: right;">Page 60</p> <p>1 THERESA A. CHAVEZ</p> <p>2 next page, Page 11, there is a reference</p> <p>3 about midway in that first full paragraph,</p> <p>4 "AIG's use of a bathtub allocation."</p> <p>5 Is AIG's use of a bathtub</p> <p>6 allocation among the issues where Clearwater</p> <p>7 disputes AIG's treatment of the claim?</p> <p>8 A Yes.</p> <p>9 Q And what type of allocation does</p> <p>10 Clearwater contend was appropriate?</p> <p>11 A I don't know that we have a</p> <p>12 position as to what allocation was</p> <p>13 appropriate because on this case we haven't</p> <p>14 received the exposure analyses that we have</p> <p>15 requested to determine how the settlement</p> <p>16 values were arrived at and how the exposure</p> <p>17 to each individual policy was calculated,</p> <p>18 but we would expect an allocation to follow</p> <p>19 the exposure analyses that were done at the</p> <p>20 time of the settlement. And if the</p> <p>21 settlement included discounts off policy</p> <p>22 limits for all policies, then those</p> <p>23 discounts should be passed on to the</p> <p>24 reinsurers of each of those policies, not</p> <p>25 just to the policies at the highest layer.</p>

15 (Pages 57 to 60)

<p style="text-align: right;">Page 65</p> <p>1 THERESA A. CHAVEZ</p> <p>2 Brattle report, so I'm not sure what the</p> <p>3 roles of each of those parties were.</p> <p>4 Q And you seen parts of the Brattle</p> <p>5 report?</p> <p>6 A I may have seen parts of the</p> <p>7 Brattle report in relation to other claims</p> <p>8 from other parties, but I don't think I've</p> <p>9 seen it in relation to -- at least I don't</p> <p>10 recall seeing it in relation to these claims</p> <p>11 for other claims for AIG.</p> <p>12 Q And what is your understanding of</p> <p>13 the purpose from which the Brattle report</p> <p>14 was prepared?</p> <p>15 A Well, as I just said, I'm not sure</p> <p>16 what the role of both Nera and Brattle were</p> <p>17 and which portions of the claim they were</p> <p>18 assigned to evaluate and how exactly that</p> <p>19 worked. So I'm not certain.</p> <p>20 Q But it is your view that arriving</p> <p>21 at the proper allocation is an exercise that</p> <p>22 can properly be done based on the Nera and</p> <p>23 Brattle reports?</p> <p>24 MR. KENNEDY: Object to the</p> <p>25 form of the question.</p>	<p style="text-align: right;">Page 67</p> <p>1 THERESA A. CHAVEZ</p> <p>2 Skandia form, CW-00181, was marked</p> <p>3 for Identification.)</p> <p>4 BY MR. COTTON:</p> <p>5 Q Am I right that this is like</p> <p>6 Exhibit 3, but for the other certificate, an</p> <p>7 internal record that Skandia created back at</p> <p>8 the time that this matter -- and I will get</p> <p>9 into whether it's a claim or whatever this</p> <p>10 matter was reported through Skandia?</p> <p>11 A Yes, it's the same internal</p> <p>12 document that appears to have been created</p> <p>13 at the time some information was reported to</p> <p>14 our underwriters.</p> <p>15 Q And like the other document, in the</p> <p>16 lower left-hand corner, it is -- it says</p> <p>17 "Casualty Facultative Claim Notice,"</p> <p>18 correct?</p> <p>19 A Yes. Right.</p> <p>20 Q And this is a document that is from</p> <p>21 the underwriting file, correct?</p> <p>22 A Yes. I believe so. It says</p> <p>23 "branch office copy," so...</p> <p>24 Q And the date, 4-82 in the</p> <p>25 right-hand corner under the word "reported"</p>
<p style="text-align: right;">Page 66</p> <p>1 THERESA A. CHAVEZ</p> <p>2 A Right. Because it's our</p> <p>3 understanding that they're both involved in</p> <p>4 working with the insurer carrier group as a</p> <p>5 whole to determine what the exposures were</p> <p>6 for the claims that were presented, at least</p> <p>7 with respect to the Halliburton piece of the</p> <p>8 settlement. I'm not sure they were involved</p> <p>9 in the Federal Mogul part of the claim as</p> <p>10 well.</p> <p>11 Q You are familiar with a rising</p> <p>12 bathtub allocation methodology?</p> <p>13 A Yes.</p> <p>14 Q And is it appropriate in certain</p> <p>15 circumstances, in your view?</p> <p>16 A It can be, yes.</p> <p>17 MR. COTTON: Mark a few more</p> <p>18 exhibits.</p> <p>19 Let's mark as Exhibit 13, a</p> <p>20 document bearing Bates Number CW-00181.</p> <p>21 It is similar to what we marked, I think,</p> <p>22 as 3, but this is for the other</p> <p>23 certificate in the case, which is</p> <p>24 Certificate C26285.</p> <p>25 (Granite Exhibit 13, Internal</p>	<p style="text-align: right;">Page 68</p> <p>1 THERESA A. CHAVEZ</p> <p>2 is the date that it was reported to Skandia,</p> <p>3 approximately?</p> <p>4 A I believe that's the approximate</p> <p>5 date that the underwriting information</p> <p>6 regarding some pending asbestos claims</p> <p>7 against McGraw Edison were reported to</p> <p>8 Skandia.</p> <p>9 MR. COTTON: Let's mark as the</p> <p>10 next exhibit another copy of a</p> <p>11 document that we marked earlier, but</p> <p>12 this one, subject to all of those</p> <p>13 caveats that Mr. Kennedy's</p> <p>14 explanation of the file folders,</p> <p>15 their having been created by his</p> <p>16 firm, came out of the underwriting</p> <p>17 file for the certificate that is</p> <p>18 identified in CW-00181, which is</p> <p>19 Exhibit 13.</p> <p>20 MR. KENNEDY: I'm sorry. Did</p> <p>21 we mark this?</p> <p>22 MR. COTTON: We marked a</p> <p>23 different version.</p> <p>24 MR. KENNEDY: So is this</p> <p>25 officially marked as an exhibit.</p>

<p style="text-align: right;">Page 73</p> <p>1 THERESA A. CHAVEZ</p> <p>2 Q Now, am I correct that the part</p> <p>3 about promptly investigate and settle all</p> <p>4 claims under the policy is not a focus of</p> <p>5 Clearwater's defense?</p> <p>6 A Correct. It's the second line of</p> <p>7 it.</p> <p>8 Q Second part of it?</p> <p>9 A That it would notify Skandia</p> <p>10 promptly of any event or development which</p> <p>11 the company reasonably believes might result</p> <p>12 in a claim against Skandia.</p> <p>13 Q Am I correct that you do not</p> <p>14 believe that the report reflected in</p> <p>15 Exhibit 3, which is Casualty Facultative</p> <p>16 Claim Notice, did not notify Skandia of any</p> <p>17 event or development which the company</p> <p>18 reasonably believes might result in a claim</p> <p>19 against Skandia?</p> <p>20 A That's correct. There's no</p> <p>21 indication there would be a claim against</p> <p>22 Skandia based on the information in that</p> <p>23 report.</p> <p>24 Q Well, the words "might" was on it?</p> <p>25 A Might.</p>	<p style="text-align: right;">Page 75</p> <p>1 THERESA A. CHAVEZ</p> <p>2 should have notified Skandia that would not</p> <p>3 have been late?</p> <p>4 A Well, I think that's something that</p> <p>5 we're still trying to determine based on the</p> <p>6 documents that we've requested.</p> <p>7 Again, we don't have the exposure</p> <p>8 analyses that were performed to evaluate</p> <p>9 their exposure, but certainly this claim was</p> <p>10 pending against Granite State; the insured</p> <p>11 had made a claim for coverage under Granite</p> <p>12 State's policy.</p> <p>13 Once the insured made the claim for</p> <p>14 coverage under the Granite State policy and</p> <p>15 had filed that DJ action, whether it was in</p> <p>16 the bankruptcy court or in state court, I</p> <p>17 don't recall off the top of my head, but</p> <p>18 once those claims were filed and Granite</p> <p>19 State became aware that it was no longer</p> <p>20 120 claims that were pending against this</p> <p>21 insured, but there were thousands of claims</p> <p>22 pending against the insured and that the</p> <p>23 insured was actually seeking coverage from</p> <p>24 Granite State under the policies to pay</p> <p>25 those claims, at that point when it became a</p>
<p style="text-align: right;">Page 74</p> <p>1 THERESA A. CHAVEZ</p> <p>2 Q You don't think it satisfies?</p> <p>3 A No, it doesn't satisfy.</p> <p>4 Q And do you agree that -- I'll</p> <p>5 withdraw that.</p> <p>6 Now, we have these dates, 2-8,</p> <p>7 2-09, when you believe Skandia or Clearwater</p> <p>8 or whoever it was at the time was notified</p> <p>9 of an event or development which the company</p> <p>10 reasonably believed might result in a claim;</p> <p>11 is that correct?</p> <p>12 MR. KENNEDY: Object to you say</p> <p>13 dates "2-8 or '09." I'm not clear on</p> <p>14 the question.</p> <p>15 Q Your earlier testimony I believe,</p> <p>16 and I may not recall it correctly, is that</p> <p>17 you believe that the first notification</p> <p>18 under the certificate that was given by</p> <p>19 Granite to Skandia/Clearwater was in 2008 or</p> <p>20 2009; is that fair to say? Is that what you</p> <p>21 said?</p> <p>22 A Yes.</p> <p>23 Q And you believe that was late?</p> <p>24 A Yes.</p> <p>25 Q Now, when do you believe Granite</p>	<p style="text-align: right;">Page 76</p> <p>1 THERESA A. CHAVEZ</p> <p>2 much more realistic possibility that there</p> <p>3 was going to be an exposure under these</p> <p>4 policies, the matter should have been</p> <p>5 reported to Odyssey at that time.</p> <p>6 What that date is I'm not entirely</p> <p>7 certain but it goes back to well before</p> <p>8 2008. It would go back to at least 2002 or</p> <p>9 possibly even earlier than that.</p> <p>10 Q And at that time, you believe that</p> <p>11 there should have been a notification and</p> <p>12 that would have been the initial notice of</p> <p>13 claim?</p> <p>14 A Yes. Because that would have been</p> <p>15 the initial notice of a claim for coverage</p> <p>16 under Granite State's policy.</p> <p>17 The information that had been</p> <p>18 provided previously was not notice of a</p> <p>19 claim under the policy or the certificate.</p> <p>20 It was just notice of some pending claims</p> <p>21 against the insured and it was provided for</p> <p>22 underwriting purposes, not for claims</p> <p>23 purposes.</p> <p>24 MR. COTTON: Let's mark as the</p> <p>25 next exhibit, the Answer to Amended</p>